China-India Trade

2731. PROF. P.J. KURIEN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that China-India trade will surpass the target of $20 billion before the financial year 2008;

(b) whether it is a fact that a vast portion of exports from India consist of raw materials like iron ore, etc;

(c) what steps would be taken by Government to encourage and help change the profile of our exports to China; and

(d) the steps proposed to involve the industry and various institutions, to come up with solutions to improve the quality and value of our exports to China?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) As per DGCI&S statistics, the India-China trade during the year 2005-06, was US$ 17.4 billion. The trade is growing at a rate of 37.34%. As such, China-India trade is likely to surpass US$ 20 billion before the financial year 2008.

(b) Yes, Sir. The percentage share of ores, slag, ash during the year 2005 was 56.43.

(c) and (d) With a view to identify measures for comprehensive trade and economic cooperation between India and China, a Joint Study Group was set up to examine the potential complementarities between the two countries. The CM & FICCI represented the industry in the JSG. The JSG submitted its report in April 2005. The JSG has recommended the following:

Evolving a China-India Regional Trading Arrangement comprising:

(a) Trade in goods and services, and investments;

(b) Identified understandings for trade and investment promotion and facilitation; and

(c) Measures for promotion of economic cooperation in identified sectors.

The JSG has also recommended that the two Governments appoint a Joint Task Force to study in detail the feasibility of, and the benefits that may derive from, the China-India Regional Trading Arrangement.

In pursuance to the recommendations of the JSG, a Joint Task Force has been constituted. The First meeting of India-China Joint Task Force held on 13.3.06. The Second meeting is likely to be held in September 2006. A representative each of the Confederation of Indian Industry (Oil) and the Federation of Indian Chambers of Commerce and Industry (FICCI) has also been included in the Joint Task Force.

Funds for Industrial Development of Uttranchal

2732. SHRI HARISH RAWAT: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of funds allocated for industrial development for hilly and backward areas of Uttranchal during the Tenth Five Year Plan period;

(b) the amount released to the State so far, since 2002 to date, year-wise;

(c) whether the State has fully utilized the released amount;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) No specific funds were allocated for the State Government of Uttranchal during the Tenth Five Year Plan period, since funds are allocated Scheme-wise and not State-wise. Rs. 24.91 Crore has been released under various Schemes since 2002 to date, for the State of Uttranchal. Scheme-wise and year-wise details are given in Statement-I. (See below).

(c) to (e) Rs. 18.23 Crore has been utilized so far by the State Government of Uttaranchal. Details of utilized/unutilized amount are given in Statement-ll. *(See* below). Some amount is lying as unspent balance but since the Schemes are ongoing, it is likely that the unspent balance will be utilized fully during the current financial year 2006-07.